LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7307 NOTE PREPARED: Jan 6, 2009

BILL NUMBER: SB 569 BILL AMENDED:

SUBJECT: County Regulation of Residential Rental Premises.

FIRST AUTHOR: Sen. Breaux BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill provides that the International Property Maintenance Code applies to a residential lease. The bill requires a landlord to designate a local agent. The bill requires a landlord to make certain disclosures to a tenant. The bill provides that a rental premises leased under a residential lease may not be leased or occupied unless the rental premises has annually been issued a certificate of compliance by the county in which the rental premises is located.

The bill requires a county legislative body to adopt an ordinance to designate or establish a department to implement the statute. (In Marion County, the statute designates the Department of Metropolitan Development.) The bill requires the adopting ordinance to provide for implementation of the statute. The bill requires inspections of rental premises under certain circumstances. The bill provides for civil penalties for violations and other remedies.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues:

<u>Explanation of Local Expenditures:</u> Counties would require additional expenditures of an unknown amount to develop or expand an existing department to oversee landlord property standards. Each county's particular expenditures would vary by the number of inspections conducted and personnel required.

Explanation of Local Revenues: Inspection fees would be determined by each county ordinance. Civil

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penalties would not be able to exceed \$2,500 per violation.

State Agencies Affected:

Local Agencies Affected: Counties.

Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.

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